

June 1, 2005

The Honorable Bill Thomas Ways and Means Committee 1102 LHOB U. S. House of Representatives Washington, DC 20515

Dear Chairman Thomas:

Dairy Farmers of America is in strong support of the Central America Free Trade Agreement (CAFTA).

We know that trade is often a complicated issue. In fact, dairy farmers have often questioned what we have gotten out of previous trade agreements. Moreover, our milk price is constantly threatened by trade loopholes and lack of enforcement of trade laws. The CAFTA agreement, however, is expected to bring tangible benefits to rural America and to dairy farm families. The National Milk Producers Federation calculated that during the first few years of the agreement alone, dairy farmers would see benefits of over \$100 million.

Several countries are eager to export more of their dairy products into the United States. In the face of these import pressures, it's important that we be able to take advantage of opportunities to grow our exports when doing so would result in a net gain for U.S. dairy farmers, as in the case of CAFTA.

Please understand, this is not a blanket endorsement of all trade agreements; rather it is about whether or not to support raising dairy incomes in rural communities through this specific agreement. CAFTA will provide net benefits to U.S. dairy farmers and the U.S. dairy industry as a whole

Sincerel

Gary Harman President & CEO